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VIA ELECTRONIC FILING

Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street SW
Washington, DC 20024

January 4, 2010

Re: STB Docket No. AB-1055 (Sub-No. X)
[ICC Finance Docket No. 31676]
Port of Tillamook Bay Railroad – Modified Rail Certificate
Notice of Intent to Partially Discontinuance Service

Dear Ms. Brown:

Pursuant to 49 CFR 1150.24, the Port of Tillamook Bay Railroad, hereby provides notice of its intention, effective March 5, 2010, to discontinue service over the 59.3-mile segment of its line of railroad (the "Subject Line") between Milepost 800.0 near Cochran, Washington County, Oregon, and Milepost 859.3 near Tillamook, Tillamook County, Oregon.

The Subject Line is owned by the Port of Tillamook Bay (the "Port")¹ and operated by POTB (a division of the Port) pursuant to a modified rail certificate issued by the ICC in *Port of Tillamook Bay – Modified Rail Certificate*, ICC Finance Docket No. 31676 (ICC served June 1, 1990; corrected notice served June 4, 1990). POTB will continue to provide service over the balance of the line covered by the Modified Rail Certificate, that being between Milepost 770.5 near Schefflin, Oregon, and Milepost 800.0 near Cochran, Oregon.

In December 2007, a portion of the line of railroad suffered catastrophic damage due to severe storms, making it impossible to provide service over the Subject Line. POTB immediately embargoed the line, and no service has been provided over the Subject Line since that time. POTB has been seeking funding for the repairs, but to date has not been successful in obtaining the necessary funds. Accordingly, POTB is giving this notice of its intent to discontinue (but not fully abandon) operations over the Subject Line while it continues to seek funds to repair and rehabilitate the Subject Line.

I hereby certify, in accordance with 49 CFR 1150.24, that copies of this notice have been sent to the State of Oregon, Department of Transportation, Rail Division, and

Pittsburgh

Philadelphia

Portland

Washington

Thorpe Reed & Armstrong, LLP
One Commerce Square
2005 Market Street
Suite 1000
Philadelphia, PA 19103-7041
215 640 8500
215 640 8501 Fax

¹ The Port of Tillamook Bay itself is an Oregon special district which was formed under Oregon Revised Statutes Chapter 777 (Ports Generally).



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to the shippers that used the Subject Line during the six months prior to the embargo, as shown in the service list attached hereto.²

Please let me know if there are any questions about this notice. Thank you for your assistance.

Respectfully,

A handwritten signature in black ink, appearing to read "Eric M. Hocky", is written over the typed name.

Eric M. Hocky

Attorney for Port of Tillamook
Bay Railroad

EMI/e

cc (by email):
POTB

cc (by US first class mail, postage prepaid):
All persons shown on the attached service list

² POTB originally planned to file a petition for discontinuance until it discovered that it was operating pursuant to a modified rail certificate. Accordingly, it had provided notice to the government agencies listed in 49 CFR 1152.50(d)(1), and had published a notice in newspapers of general circulation in accordance with the provisions of 49 CFR 1105.11. Although not required by the modified rail certificate regulations, POTB is also sending copies of this letter to the government agencies that received notice.

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Service List:

Oregon DOT, Rail Division
555 13th Street N.E., Suite 3
Salem, Oregon 97301-4179

Tillamook Lumber /
Hampton Lumber Sales
9400 SW Barnes Road #400
Portland, Oregon 97225

Tillamook Valley Nutrition / CHS
PO Box 313
Tillamook, Oregon 97141

Stimson Lumber
520 SW Yamhill, Suite 700
Portland, Oregon 97204

Northwest Hardwoods /
Weyerhaeuser
202 S. 7th Street
PO Box 217
Portland, Oregon 97118

Georgia Pacific
1400 SE Butler Bridge Road
Toledo, Oregon 97391

Office of Chief of Forest Service
U.S. Department of Agriculture
1400 Independence Ave., SW
Washington, DC 20250

U.S. Department of the Interior -
National Park Service
RTCA Program (Org code 2240)
1849 C Street, NW
Washington, DC 20240

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United States Department of the Army
Military Surface Deployment and Distribution Command
Transportation Engineering Agency
ATTN: SDTE-SA (Railroads for National Defense)
709 Ward Drive, Building 1990
Scott AFB, IL 62225-5357